

Friday Finale!

Entrance task: Think: What government responses would you expect

Today: Federal legislation & Supreme Court decisions during the Gilded Age

Homework: Review for test on Tuesday

Page 17 - Regulatory Laws

Join with another table (4-5 people max)
Use the note cards to complete the matrix on page 17

Regulatory Laws: Welfare or State Capitalism; Completed the following matrix where you find a blank.
REGULATION OF BUSINESS PRACTICES:

<i>Regulation</i>	<i>Date</i>	<i>Purpose of Law</i>	<i>Main Provision # 1</i>
Interstate Commerce Act	1887	To put an end to RR abuses (pools, rebates)	Regulated prices that RR could charge to move freight bet. States in proportion to distance traveled
Sherman Antitrust Act	1890	To break up industrial giants – prohibit monopolies	Outlawed any combination of companies that restrained interstate trade or commerce
Clayton Antitrust Act	1914	To regulate business practices that threatened competition	Strengthened the Sherman Anti-trust Act by spelling out specific actions big businesses couldn't do (price fixing)
Federal Trade Commission Act	1914	To investigate unfair competition	To set up fair trade laws

CONSUMER PROTECTION LAWS:

<i>Regulation</i>	<i>Date</i>	<i>Purpose of Law</i>	<i>Main Provision # 1</i>
Meat Inspection Act	1906	Consumer protection Reaction to “muckrakers”	Required strict sanitary conditions with fed'l meat inspections
Pure Food & Drug Act	1906	To regulate the food & drug industries- consumer prot.	Required accurate labeling of ingredients
Consumer Product Safety Act	1972	To protect citizens' safety	Enforce safety standards for household items

FEDERAL REGULATION OF LABOR:

<i>Regulation</i>	<i>Date</i>	<i>Purpose of Law</i>	<i>Main Provision # 1</i>
Wagner Act (National Labor Relations Act)	1935	To respond to labor demands for leg. Which would protect their rights	Legalized collective bargaining, closed shops, Outlawed spying on union activities, blacklisting,
Taft Hartley Act	1947	To deal with labor strikes following WW II	an 80-day cooling off period no “closed shop” “right to work” laws (didn't have to join)

In your group, read each of the 4 Supreme Court cases on monopolies and government regulation. *Summarize what you learned about each court case.* Each summary should be in your own words and in paragraph form. After you have completed your individual summaries, read aloud your summaries and compare what you have written to what your team members have written. Are there similarities? Differences?

Munn v. Illinois- 1877	Wabash RR v. Illinois- 1886
U.S. v. E.C. Knight Co.- 1895	Northern Securities Case- 1903

<p>Munn v. Illinois- 1877</p> <p>Chicago had grown tremendously, as did the wheat & grain shipping and storage businesses. These businesses operated sometimes illegally, charging high fees or signing false receipts. Farmers were at their mercy. After much complaining, the Illinois legislature passed laws to regulate these businesses. Munn v. Illinois claimed this was unconstitutional, violating their 14th Amendment right of due process. The SC upheld the laws and thus began an era of regulation of businesses.</p>	<p>Wabash RR v. Illinois- 1886</p> <p>"Can a state government regulate RR prices <u>on a portion of an interstate</u> that is within its borders?" That is the question of this SC case. The SC held that interstate commerce is a federal power, thus <u>overturning Munn v. Illinois</u>. This eventually led to the creation of the ICC (Interstate Commerce Commission) to regulate interstate commerce.</p>
<p>U.S. v. E.C. Knight Co.- 1895</p> <p>American Sugar Refinery owned 98% of American Sugar refineries in the U.S. Pres. Cleveland, using the Sherman Anti-Trust Act, said it was an illegal restraint of trade. The SC (8-1) said <u>manufacturing WAS NOT interstate commerce</u> and therefore not subject to federal regulation. This led to a huge consolidation of manufacturing industries.</p>	<p>Northern Securities Case- 1903</p> <p>America's RR's were consolidating by joining with other RR's and having overlapping memberships on the Boards. Hill & JP Morgan created such a holding company, too large to be taken over by anyone. (A Holding Company exists only to own stock in other companies). T. Roosevelt prosecuted the Northern Securities Co. under the Sherman Anti-Trust Act, and the SC agreed with him and ordered the Northern Securities Co. to be dissolved. The decision asserted the power of the executive branch over businesses.</p>

